

# Montgomery County Public Schools

## MISSION STATEMENT

The Montgomery County Public Schools (MCPS) operates a Countywide system of public schools for students from pre-kindergarten through high school. For the 2005-06 school year (FY06), 140,410 students in pre-kindergarten classes through grades 12 attend 194 separate public educational facilities. For the 2006-07 school year (FY07), enrollment is estimated at 139,936 students.

## BUDGET OVERVIEW

The total recommended FY07 Operating Budget for Montgomery County Public Schools is \$1,839.2 million, an increase of \$125.5 million or 7.3 percent from the original FY06 approved budget of \$1,713.7 million.

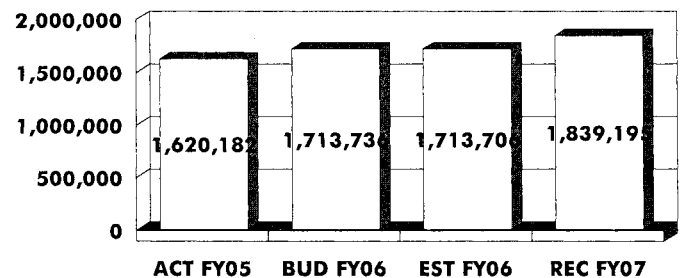
In addition to the total recommended Operating Budget for the public schools, this agency's Capital Improvements Program (CIP) requires current revenue funding. Approximately \$46.9 million in FY07 current revenues is recommended in the FY07-12 CIP.

The Board of Education's (BOE) Operating Budget request for FY07 totals \$1,839.1 million, an increase of \$125.4 million or 7.3 percent from the original FY06 approved budget. Funding for the BOE's request is comprised of the County's contribution (74.6 percent of all revenue), State aid and grants (18.2 percent), Federal grants and aid (3.6 percent), and tuition, fees, and private grants (0.8 percent). Revenues from enterprise funds (2.7 percent) and the special revenue fund (0.1 percent) make up the balance of the request.

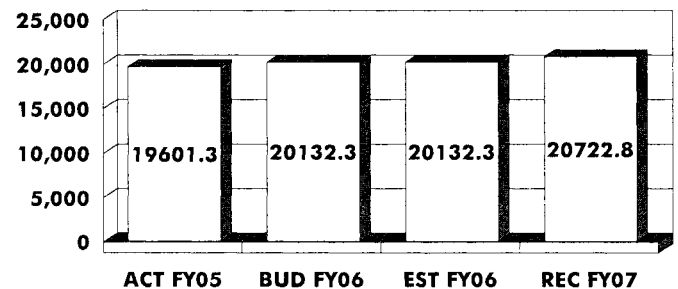
The County Executive's role in the budget process is to present in writing to the County Council a recommended budget total for the schools. For FY07, the County Executive recommends fully funding the BOE's request (adjusted for a small increase in the Instructional Television Fund). The recommended amount would raise total per pupil spending from all sources to \$13,143, the highest level ever.

The Executive's recommendation assumes that the State will fulfill its obligation to the school system by funding the Geographic Cost of Education Index (GCEI). The recommended budget reflects the County's contribution of \$1,354.8 million (73.7 percent of all recommended funding), State aid and grants of \$352.4 million (19.2 percent), Federal grants and aid of \$65.6 million (3.5 percent), and tuition, fees, and private grants of \$14.3 million (0.8 percent). The recommended appropriation for the fee supported enterprise funds is \$50.7 million (2.7 percent) and for the special revenue fund is \$1.4 million (0.1 percent).

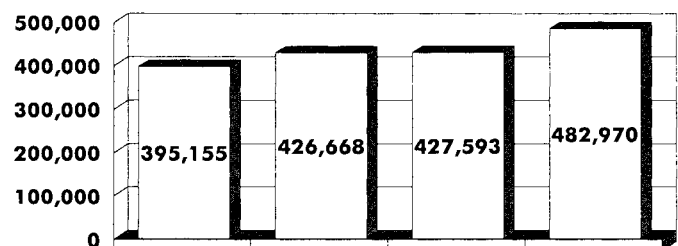
## Trends



EXPENDITURES [\$000s]



WORKYEARS



RELATED REVENUES [\$000s]

## **Tax Supported Funding for the Public Schools**

For FY07, the total tax supported portion of the Executive's recommendation (excluding grants and enterprise funds) is \$1,711.6 million, an increase of \$119.4 million or 7.5 percent over the original FY06 approved Operating Budget.

Included in the tax supported portion of the recommendation is the local contribution of funds. The Executive's recommendation of \$1,354.8 million represents a total increase in local funding of \$69.0 million or 5.4 percent over the original FY06 approved local appropriation.

The Executive's recommendation for local funding is \$64.5 million above the FY07 State Maintenance of Effort requirement. Providing local funds to meet the State Maintenance of Effort requirement ensures the receipt of increased State aid to the public schools.

The Executive's recommendation provides the BOE with an increase in taxpayer dollars to address educational needs and maintain commitments to employees. The Executive supports MCPS' continued efforts to achieve its academic goal of raising the bar for all students and closing the gap among groups.

### **Fiscal Summary**

The Executive's total recommendation from all funding sources of \$1,839.2 million represents 100 percent of the BOE's March request for funding (adjusted for a small increase in the Instructional Television Fund); however, the Executive's recommendation assumes that the State will fulfill its obligation to the school system by providing \$17.0 million for the GCEI.

The Executive's recommendation responds to the needs of the school system, particularly as they relate to educational priorities, and supports the policies and efforts of the BOE. The Executive endorses funding of contracts negotiated with the Montgomery County Education Association, the Montgomery County Association of Administrative and Supervisory Personnel, and the Montgomery County Council of Supporting Service Employees. He also supports the FY07 initiatives of the BOE, including the expansion of all-day kindergarten to all remaining elementary schools and reduction of class size in high schools to assist inclusion of special education students. The Executive relies on the BOE to determine the most appropriate manner to deliver educational services within the recommended allocation.

### **Spending Affordability**

In December 2005, the Montgomery County Council approved FY07 Spending Affordability Guidelines (SAG) of \$1,687.7 million for the tax supported funds of MCPS. The BOE has requested \$1,711.6 million in tax supported funds, \$23.9 million or 1.4 percent above the SAG guideline. The County Executive recommends the same amount for MCPS. The County Council will revisit the SAG by the second Tuesday after the General Assembly adjourns. If the Council amends the allocation for MCPS and it is below the level recommended by the County

Executive, the BOE will forward to the Council information on changes the Council would need to make if the Council were to appropriate the FY07 budget at the level set by the SAG.

## **Additional Budget Details**

The Executive believes that the total FY07 Operating Budget recommendation provides the resources to address adequately the public school's most critical educational needs to improve achievement for all students. In making this recommendation, the Executive affirms the authority of the BOE to establish educational policy and to determine the allocation of appropriated funds in support of the mission of the public school system.

Complete information regarding the MCPS budget request is available in the FY07 Operating Budget adopted by the BOE. Copies of the budget are available at Montgomery County libraries, on the MCPS web site and, upon request, from the school system.

## **HIGHLIGHTS**

- ❖ **Provide resources to accommodate the enrollment of 139,936 students.**
- ❖ **Increase MCPS funding by \$125.5 million, 100% of the Board of Education's request and a 7.3% increase over total FY06 approved expenditures.**
- ❖ **Expand spending per pupil from all sources by 7.0% to \$13,143, the highest level ever.**
- ❖ **Support the proposal of the Board of Education to extend full-day kindergarten to all remaining elementary schools.**
- ❖ **Back initiatives proposed by the Board of Education to reduce class size in high schools to assist inclusion of special education students.**
- ❖ **Endorse other Board of Education initiatives to improve curricula in middle schools, increase special education staffing, modernize technology, expand the number of elementary school assistant principals and building service workers, and introduce programs that address violence prevention and bus rider safety.**
- ❖ **MCPS is moving toward its academic goals of raising the bar for all students and closing the gap among groups:**
  - **In elementary schools, 81% of kindergarten students meet the reading benchmark, with significant gains among African American students, Hispanic students and students with limited English skills.**
  - **At the secondary school level, 39% of the students in the 2004 class scored a 3 or higher on at least one Advanced Placement exam, which is three times the national average and twice the Maryland average. The number of African American and Hispanic students taking AP exams**

increased.

- The average SAT score exceeded 1100 for the second year in a row, while also setting a new record for participation. The biggest growth in participation came from African American and Hispanic students.

## PROGRAM CONTACTS

Contact Dr. Marshall Spatz of the Montgomery County Public Schools at 301.279.3547 or Charles Goldsmith of the Office of Management and Budget at 240.777.2779 for more information regarding this agency's operating budget.

## BUDGET SUMMARY

	Actual FY05	Budget FY06	Estimated FY06	Recommended FY07	% Chg Bud/Rec
<b>CURRENT FUND MCPS</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Current Fund MCPS Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	1,499,428,354	1,592,155,654	1,591,200,727	1,711,555,940	7.5%
Capital Outlay	0	0	0	0	—
<b>Current Fund MCPS Expenditures</b>	<b>1,499,428,354</b>	<b>1,592,155,654</b>	<b>1,591,200,727</b>	<b>1,711,555,940</b>	<b>7.5%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	18273.0	18744.3	18744.3	19358.1	3.3%
<b>REVENUES</b>					
Basic State Aid	161,374,508	172,961,030	172,961,030	179,893,574	4.0%
GCEI - Geographic Cost of Education Index	0	0	0	16,995,895	—
Transportation	26,168,520	25,920,075	25,920,075	28,298,236	9.2%
Students With Disabilities	27,072,023	32,799,904	32,799,904	38,383,676	17.0%
Foster Care/Miscellaneous	402,233	250,000	250,000	250,000	—
Thornton Legislation	55,214,348	69,700,727	69,700,727	87,589,180	25.7%
Tuition-Other Sources	5,115,779	4,513,328	4,513,328	5,073,809	12.4%
Federal Revenues	229,695	180,000	180,000	230,000	27.8%
<b>Current Fund MCPS Revenues</b>	<b>275,577,106</b>	<b>306,325,064</b>	<b>306,325,064</b>	<b>356,714,370</b>	<b>16.4%</b>
<b>GRANT FUND MCPS</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Grant Fund MCPS Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	76,910,207	70,714,389	70,714,389	75,586,936	6.9%
Capital Outlay	0	0	0	0	—
<b>Grant Fund MCPS Expenditures</b>	<b>76,910,207</b>	<b>70,714,389</b>	<b>70,714,389</b>	<b>75,586,936</b>	<b>6.9%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	716.8	766.6	766.6	733.6	-4.3%
<b>REVENUES</b>					
Federal Grants	69,965,431	63,773,913	63,919,232	65,332,227	2.4%
State Grants	5,074,341	1,023,000	1,023,000	1,023,000	—
Private Grants	1,870,435	5,917,476	5,772,157	9,231,709	56.0%
<b>Grant Fund MCPS Revenues</b>	<b>76,910,207</b>	<b>70,714,389</b>	<b>70,714,389</b>	<b>75,586,936</b>	<b>6.9%</b>
<b>FOOD SERVICE FUND</b>					
<b>EXPENDITURES</b>					

	Actual FY05	Budget FY06	Estimated FY06	Recommended FY07	% Chg Bud/Rec
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Food Service Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	—
Operating Expenses	36,010,867	41,551,415	41,551,415	44,373,243	6.8%
Capital Outlay	0	0	0	0	—
<b>Food Service Fund Expenditures</b>	<b>36,010,867</b>	<b>41,551,415</b>	<b>41,551,415</b>	<b>44,373,243</b>	<b>6.8%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	577.4	589.5	589.5	601.8	2.1%
<b>REVENUES</b>					
Child Care Food Service	726,809	775,000	775,000	775,000	—
Federal Food	13,245,612	13,464,654	13,464,654	14,573,792	8.2%
State Food	797,867	974,687	974,687	984,433	1.0%
Sale of Meals	21,240,579	26,337,074	26,337,074	28,040,018	6.5%
<b>Food Service Fund Revenues</b>	<b>36,010,867</b>	<b>41,551,415</b>	<b>41,551,415</b>	<b>44,373,243</b>	<b>6.8%</b>
<b>REAL ESTATE FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Real Estate Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	—
Operating Expenses	2,019,558	1,794,927	2,019,927	2,792,452	55.6%
Capital Outlay	0	0	0	0	—
<b>Real Estate Fund Expenditures</b>	<b>2,019,558</b>	<b>1,794,927</b>	<b>2,019,927</b>	<b>2,792,452</b>	<b>55.6%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	4.0	4.0	4.0	3.5	-12.5%
<b>REVENUES</b>					
Real Estate Fund	2,019,558	1,794,927	2,019,927	2,792,452	55.6%
<b>Real Estate Fund Revenues</b>	<b>2,019,558</b>	<b>1,794,927</b>	<b>2,019,927</b>	<b>2,792,452</b>	<b>55.6%</b>
<b>ADULT EDUCATION</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Adult Education Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	—
Operating Expenses	2,063,253	3,677,298	3,677,298	0	—
Capital Outlay	0	0	0	0	—
<b>Adult Education Expenditures</b>	<b>2,063,253</b>	<b>3,677,298</b>	<b>3,677,298</b>	<b>0</b>	—
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	5.6	4.6	4.6	0.0	—
<b>REVENUES</b>					
Adult Education	2,047,577	3,677,298	3,677,298	0	—
Federal Aid	15,676	0	0	0	—
<b>Adult Education Revenues</b>	<b>2,063,253</b>	<b>3,677,298</b>	<b>3,677,298</b>	<b>0</b>	—
<b>FIELD TRIP FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Field Trip Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	—
Operating Expenses	1,547,866	1,339,619	1,939,619	1,979,516	47.8%
Capital Outlay	0	0	0	0	—
<b>Field Trip Fund Expenditures</b>	<b>1,547,866</b>	<b>1,339,619</b>	<b>1,939,619</b>	<b>1,979,516</b>	<b>47.8%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	3.0	3.0	3.0	3.0	—
<b>REVENUES</b>					

	Actual FY05	Budget FY06	Estimated FY06	Recommended FY07	% Chg Bud/Rec
Field Trip Fees	1,547,866	1,339,619	1,939,619	1,979,516	47.8%
<b>Field Trip Fund Revenues</b>	<b>1,547,866</b>	<b>1,339,619</b>	<b>1,939,619</b>	<b>1,979,516</b>	<b>47.8%</b>
<b>ENTREPRENEURIAL ACTIVITIES FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Entrepreneurial Activities Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	1,026,004	1,264,852	1,364,852	1,523,552	20.5%
Capital Outlay	0	0	0	0	—
<b>Entrepreneurial Activities Fund Expenditures</b>	<b>1,026,004</b>	<b>1,264,852</b>	<b>1,364,852</b>	<b>1,523,552</b>	<b>20.5%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	8.0	6.8	6.8	9.3	36.8%
<b>REVENUES</b>					
Entrepreneurial Activities Fee	1,026,004	1,264,852	1,364,852	1,523,552	20.5%
<b>Entrepreneurial Activities Fund Revenues</b>	<b>1,026,004</b>	<b>1,264,852</b>	<b>1,364,852</b>	<b>1,523,552</b>	<b>20.5%</b>
<b>INSTRUCTIONAL TELEVISION FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Instructional Television Fund Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	1,175,902	1,238,000	1,238,000	1,383,000	11.7%
Capital Outlay	0	0	0	0	—
<b>Instructional Television Fund Expenditures</b>	<b>1,175,902</b>	<b>1,238,000</b>	<b>1,238,000</b>	<b>1,383,000</b>	<b>11.7%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	13.5	13.5	13.5	13.5	—
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>1,620,182,011</b>	<b>1,713,736,154</b>	<b>1,713,706,227</b>	<b>1,839,194,639</b>	<b>7.3%</b>
<b>Total Full-Time Positions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>Total Part-Time Positions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>Total Workyears</b>	<b>19601.3</b>	<b>20132.3</b>	<b>20132.3</b>	<b>20722.8</b>	<b>2.9%</b>
<b>Total Revenues</b>	<b>395,154,861</b>	<b>426,667,564</b>	<b>427,592,564</b>	<b>482,970,069</b>	<b>13.2%</b>

MCPS EXPENDITURES FY80-FY07						
County	Fiscal Year	Total Expenditures	Total Enrollment	Per Pupil	County Funding	As Percent of Total
	80	\$283,964,983	102,519	\$2,770	\$217,458,068	76.58%
	81	\$310,301,970	98,843	\$3,139	\$243,994,370	78.63%
	82	\$331,546,219	95,587	\$3,469	\$267,891,955	80.80%
	83	\$351,939,986	92,517	\$3,804	\$286,965,658	81.54%
	84	\$371,322,717	91,030	\$4,079	\$303,726,901	81.80%
	85	\$399,916,181	91,704	\$4,361	\$330,035,065	82.53%
	86	\$436,875,791	92,871	\$4,704	\$361,788,973	82.81%
	87	\$475,866,930	94,460	\$5,038	\$398,053,264	83.65%
	88	\$519,622,140	96,271	\$5,397	\$434,582,576	83.63%
	89	\$577,957,669	98,519	\$5,866	\$488,062,505	84.45%
	90	\$642,553,932	100,259	\$6,409	\$545,768,528	84.94%
	91	\$702,260,084	103,732	\$6,770	\$601,407,797	85.64%
	92	\$712,896,646	107,140	\$6,654	\$603,939,300	84.72%
	93	\$738,767,864	110,037	\$6,714	\$622,732,456	84.29%
	94*	\$793,907,907	113,429	\$6,999	\$666,557,884	83.96%
	95	\$830,010,147	117,082	\$7,089	\$695,512,609	83.80%
	96	\$878,160,420	120,291	\$7,300	\$718,938,647	81.87%
	97	\$915,141,097	122,505	\$7,470	\$740,984,871	80.97%
	98	\$958,416,196	125,035	\$7,665	\$765,835,476	79.91%
	99	\$1,034,768,530	127,852	\$8,093	\$820,833,423	79.33%
	00	\$1,105,644,145	130,689	\$8,460	\$870,940,869	78.77%
	01	\$1,216,096,599	134,180	\$9,063	\$959,754,838	78.92%
	02	\$1,323,625,477	136,832	\$9,673	\$1,029,703,651	77.79%
	03	\$1,412,161,822	138,891	\$10,167	\$1,079,188,698	76.42%
	04	\$1,498,374,041	139,203	\$10,764	\$1,136,392,169	75.84%
	05	\$1,609,382,533	139,337	\$11,550	\$1,217,214,553	75.63%
	06	\$1,713,736,154	139,477	\$12,287	\$1,285,830,590	75.03%
	Rec. 07	\$1,839,194,639	139,936	\$13,143	\$1,354,841,570	73.66%

Sources: Board of Education Approved Operating Budgets

Notes:

\* State legislative action shifted responsibility for teacher Social Security payments to local jurisdictions in FY94.

Per pupil spending represents all sources of funds

In addition to MCPS appropriations, funding in support of MCPS programs is represented in:

- Capital Improvements Program (CIP) Current Revenue
- Debt Service on School Facilities
- Crossing Guards (Police Department)
- School Health Nurses and Health Room Technicians (Health and Human Services)

Other programs budgeted outside of the MCPS budget but directly supporting the success of every student are:

- Early Childhood Initiative (Health and Human Services and Libraries)
- Linkages to Learning (Health and Human Services)
- Educational Alternatives (Health and Human Services)
- Gang Prevention Initiatives (Countywide)

# Montgomery County Public Schools FY2007 Organization

